# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 6713 NOTE PREPARED:** Dec 29, 2009

BILL NUMBER: SB 196 BILL AMENDED:

**SUBJECT:** Motor Vehicle Learner's Permit.

FIRST AUTHOR: Sen. Walker BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that, beginning January 1, 2011, an individual must be at least 16 years and 30 days of age to be issued a learner's permit by the Bureau of Motor Vehicles (BMV).

Effective Date: July 1, 2010.

#### **Explanation of State Expenditures:**

Explanation of State Revenues: <u>Summary</u>: The increase in age for the learner's permit will result in the shifting of revenue forward from FY 2011 to years thereafter. As a result, total revenues would be reduced by an estimated \$553,500 in FY 2011, which represents six months of revenue reduction, and \$92,250 in FY 2012, which represents one month of revenue reduction. The funds affected and the amounts are shown in the following table.

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Fund	FY 2011 Revenue Reduction	FY 2012 Revenue Reduction	Uses
MVHA Learner's permit	\$30,750	\$5,125	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the Department of State Revenue.
Crossroads 2000 Fund Learner's permit	\$123,000	\$20,500	Bonding for highway projects.
Anti-Terrorism Fund Learner's permit	\$76,875	\$12,810	Supporting the Integrated Public Safety Commission.
BMV Technology Fund Learner's permit	\$30,750	\$5,125	Upgrading technology at the BMV.
State License Branch Fund Learner's permit	\$292,125	\$48,690	Supporting the operation of the licenses branches throughout the state.
Total Reduction in Fees	\$553,500	\$92,250	

<u>Background:</u> This bill increases the age at which individuals become eligible for a learner's permit. The increase in eligibility age would tend to shift learner's permit revenues forward by seven months, affecting FY 2011 and FY 2012. The fee for a learner's permit is \$9. Under current statute, approximately 123,000 individuals annually, or about 10,250 monthly, obtain their learner's permit when they are 15 years of age. The seven-month increase in eligibility age for a learner's permit will tend to shift these revenues forward. As a result, revenues would be reduced by an estimated \$553,500 in FY 2011 and \$92,250 in FY 2012.

## **Explanation of Local Expenditures:**

# **Explanation of Local Revenues:**

**State Agencies Affected:** BMV; Department of Transportation, State Police, and Department of State Revenue as recipients of MVHA distributions.

**Local Agencies Affected:** Recipients of MVHA distributions.

**Information Sources:** BMV.

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